

**MINUTES OF A JOINT EMPLOYEES' RETIREMENT BOARD
AND POLICE RETIREMENT BOARD MEETING
HELD IN THE CONFERENCE ROOM AT
CITY HALL ON TUESDAY,
OCTOBER 24, 2006,
AT 3:00 P.M.**

I. ROLL CALL: 3:00 PM

A. Employees' Retirement Board:

The Chair called the meeting to order at 3:12 p.m.

Trustees present from the Employees' Retirement Board were Valerie Hurley (Chair), Robert Kahant, and Mayor Marc J. Drautz. Anne Costello (Vice Chair) and Robert Lepa were absent. Also present were Board Attorney Robert Sugarman, Sugarman & Susskind and Recording Secretary Evanna Stephenson, City Clerk's Office.

B. Police Retirement Board:

The Chair called the meeting to order at 3:12 p.m.

Trustees present from the Police Retirement Board were Lt. Kenneth White (Chair), Officer Mark Bouchard (Vice Chair), and Mayor Marc J. Drautz. Anne Costello and Gary "Bo" Allen were absent. Also present were Board Attorney Robert Sugarman, Sugarman & Susskind and Recording Secretary Evanna Stephenson, City Clerk's Office.

II. ADDITIONS/DELETIONS/REORDERING:

A. Employees' Retirement Board:

- 1. ADD CON-A-5, Authorize payment to University of Miami Hospitals & Clinics for a facility fee associated with the IME appointment for Colleen Tidwell in amount of \$85 and IME doctor's fee in amount of \$750 - two separate checks**

CONSENSUS - to approve the agenda as set at this time.

B. Police Retirement Board:

None.

C. Employees' and Police Retirement Boards:

None.

III. UNFINISHED BUSINESS:

A. Employees' Retirement Board:

None.

B. Police Retirement Board:

1. Update regarding 2005 premium tax moneys, in amount of \$546,501.32

Lt. White gave a brief update regarding the 2005 premium tax moneys that have been withheld because of information missing in the annual report.

The Board Attorney explained that since Division II has not received their share of the premium tax moneys for 2005, the City needed to pay the amount that Division II normally transfers to Division I for additional benefits for the Police Officers.

2. Letter dated October 10, 2006, from Officer Kathleen Bogart, requesting to purchase five years of military service using Division 2 funds in amount of \$81,884

Lt. White asked if Officer Bogart was entitled to purchase military service at this time and what would happen if she purchased time now, continued to accrue military time, and was eventually entitled to a retirement from the military at a later date.

The Board Attorney explained that Officer Bogart was eligible to purchase now military time because she has not reached 20 years of military service at this time.

Action: Motion made by Officer Bouchard and seconded by Mayor Drautz to approve Officer Kathleen Bogart's request to purchase five years of military service, using Division 2 funds, in amount of \$81,884.

Vote: Voice vote showed: AYES: Lt. White, Officer Bouchard, and Mayor Drautz. NAYS: None.

3. Update regarding Ralph Brillinger's request to pay the contribution amount for the time he was suspended

Ms. Hurley explained she spoke with the Labor Attorney regarding Mr. Brillinger's request and was told that Mr. Brillinger did not accept the agreement proposed by the City, but Mr. Brillinger would agree to a formal hearing.

Action: Motion made by Mayor Drautz and seconded by Officer Bouchard to table until such time the Board of Trustees receives a settlement agreement for Officer Brillinger.

Vote: Voice vote showed: AYES: Lt. White, Officer Bouchard, and Mayor Drautz.
NAYS: None.

C. Employees' and Police Retirement Boards:

None.

IV. NEW BUSINESS:

A. Employees' Retirement Board:

1. Email dated October 3, 2006, from Phyllis Thrasher, Finance Department, regarding Bobby Lindsay's benefits

Ms. Hurley explained that Bobby Lindsay received regular retirement benefits and was overpaid in amount of \$15,000.

The Board Attorney said it was the Board's responsibility to collect the overpayment and suggested possible collection alternatives.

Ms. Hurley recommended deducting \$100 a month from Mr. Lindsay's check until the pension plan recouped the overpayment.

Action: Motion made by Mr. Kahant and seconded by Mayor Drautz to approve deducting \$50 a month from Mr. Lindsay's check until the pension plan recouped the overpayment.

Ms. Lindsay explained that she lost benefits from social security because of her husband's death, still had a daughter living at home, and asked the Board to consider the circumstances before rendering a decision.

The Board Attorney explained that the Board could defer Ms. Lindsay's payments until she reached the age of 67 years old and was entitled to draw social security. He said the Board Secretary should mark Mr. Lindsay's file to reflect that payments are deferred until Ms. Lindsay begins to draw social security. At that time, the Actuary will recalculate the pension benefit and deductions will begin to be withheld from the pension check until recoupment of \$15,000 was complete.

Action: Amended motion made by Mr. Kahant and seconded by Mayor Drautz to approve deferring recoupment of overpayment of pension benefits in amount of \$15,000 for Bobby Lindsay until Ms. Lindsay begins to draw social security at which time the Actuary will recalculate the pension benefit and deductions will begin to be deducted from the pension check.

Vote: Voice vote showed: AYES: Ms. Hurley, Mr. Kahant, and Mayor Drautz.
NAYS: None.

2. A request dated December 14, 2000, from Wayne Platt, requesting vested retirement, as set forth in Section 16-33(b) of the Employees' Pension Code, to be effective September 16, 2001

Ms. Hurley explained that the Finance Department received a request from Mr. Platt requesting vested retirement, but someone failed to forward the request to the Board for approval before paying benefits.

Action: Motion made by Mayor Drautz and seconded by Mr. Kahant to approve Mr. Platt's request for vested retirement, as set forth in Section 16-33(b) of the Employees' Pension Code, to be retroactive effective September 16, 2001.

Vote: Voice vote showed: AYES: Ms. Hurley, Mr. Kahant, and Mayor Drautz.
NAYS: None.

3. Roy Ayala, Utilities Department, requests entrance into the Deferred Retirement Option Plan (DROP), to be effective October 10, 2006

Action: Motion made by Mr. Kahant and seconded by Mayor Drautz to approve Roy Ayala's request for entrance into the Deferred Retirement Option Plan (DROP), to be effective October 10, 2006.

Vote: Voice vote showed: AYES: Ms. Hurley, Mr. Kahant, and Mayor Drautz.
NAYS: None.

4. Tommy Johnson, Utilities Department, requests entrance into the Deferred Retirement Option Plan (DROP), to be effective October 20, 2006

Action: Motion made by Mr. Kahant and seconded by Mayor Drautz to approve Tommy Johnson's request for entrance into the Deferred Retirement Option Plan (DROP), to be effective October 20, 2006.

Vote: Voice vote showed: AYES: Ms. Hurley, Mr. Kahant, and Mayor Drautz.
NAYS: None.

5. Milton Talbert, Utilities Department, requests entrance into the Deferred Retirement Option Plan (DROP), to be effective October 5, 2006

Action: Motion made by Mr. Kahant and seconded by Mayor Drautz to approve Milton Talbert's request for entrance into the Deferred Retirement Option Plan (DROP), to be effective October 5, 2006.

Vote: Voice vote showed: AYES: Ms. Hurley, Mr. Kahant, and Mayor Drautz.
NAYS: None.

6. Larry Patterson, Utilities Department, requests vested retirement, as set forth in Section 16-33(b) of the Employees' Pension Code, to be effective October 21, 2006

Action: Motion made by Mr. Kahant and seconded by Mayor Drautz to approve Larry Patterson's request for vested retirement, as set forth in Section 16-33(b) of the Employees' Pension Code, to be effective October 21, 2006.

Ms. Hurley asked if the Board Secretary would draft a letter to Mr. Patterson reminding him that he can change his option until he reaches the age of 62 years old and starts receiving his first check.

Vote: Voice vote showed: AYES: Ms. Hurley, Mr. Kahant, and Mayor Drautz.
NAYS: None.

B. Police Retirement Board:

None.

C. Employees' and Police Retirement Boards:

1. Letter dated September 29, 2006, from Mark J. Walker, President of Richmond Capital Management, regarding upcoming ownership changes

Action: Motion made by Mayor Drautz and seconded by Mr. Kahant to refer a letter dated September 29, 2006, from Mark J. Walker, President of Richmond Capital Management, regarding upcoming ownership changes to Merrill Lynch.

Vote: Voice vote showed: AYES: Ms. Hurley, Mr. Kahant, and Mayor Drautz.
NAYS: None.

Action: Motion made by Mayor Drautz and seconded by Officer Bouchard to refer a letter dated September 29, 2006, from Mark J. Walker, President of Richmond Capital Management, regarding upcoming ownership changes to Merrill Lynch.

Vote: Voice vote showed: AYES: Lt. White, Officer Bouchard, and Mayor Drautz.
NAYS: None.

2. Discuss a proposed ordinance amendment amending all references in the General Employees' Plan, which incorrectly cite sections of the Police Officers' Plan

The Board Attorney explained this was a scrivener's error. It did not need an impact statement.

Action: Motion made by Mayor Drautz and seconded by Mr. Kahant to forward the ordinance to the City Commission for formal action.

Vote: Voice vote showed: AYES: Ms. Hurley, Mr. Kahant, and Mayor Drautz.
NAYS: None.

3. Email dated September 8, 2006, from Charlie Sandoval, Calamos Investments, regarding portfolio appraisal

Action: Motion made by Mayor Drautz and seconded by Mr. Kahant to refer an email dated September 8, 2006, from Charlie Sandoval, Calamos Investments, regarding portfolio appraisal to Merrill Lynch.

Vote: Voice vote showed: AYES: Ms. Hurley, Mr. Kahant, and Mayor Drautz.
NAYS: None.

Action: Motion made by Mayor Drautz and seconded by Officer Bouchard to refer an email dated September 8, 2006, from Charlie Sandoval, Calamos Investments, regarding portfolio appraisal to Merrill Lynch.

Vote: Voice vote showed: AYES: Lt. White, Officer Bouchard, and Mayor Drautz.
NAYS: None.

4. Consider rescheduling and combining November 28, 2006 and December 26, 2006 regular meetings to December 5, 2006

Action: Motion made by Mayor Drautz and seconded by Mr. Kahant to combine November 28, 2006 and December 26, 2006 regular meetings to December 5, 2006.

Vote: Voice vote showed: AYES: Ms. Hurley, Mr. Kahant, and Mayor Drautz.
NAYS: None.

Action: Motion made by Mayor Drautz and seconded by Officer Bouchard to combine November 28, 2006 and December 26, 2006 regular meetings to December 5, 2006.

Vote: Voice vote showed: AYES: Lt. White, Officer Bouchard, and Mayor Drautz.
NAYS: None.

5. Discuss payout of Deferred Retirement Option Plan (DROP) participant's vacation time

Ms. Hurley explained that questions arose regarding the multiplier for participants entering the DROP. She said that vacation time was factored in a DROP participant's final average compensation for employees that entered the DROP prior to 1979.

Action: Motion made by Mayor Drautz and seconded by Mr. Kahant to table discussion regarding a DROP participant's vacation time until the next meeting.

Vote: Voice vote showed: AYES: Ms. Hurley, Mr. Kahant, and Mayor Drautz.
NAYS: None.

Action: Motion made by Mayor Drautz and seconded by Officer Bouchard to table discussion regarding a DROP participant's vacation time until the next meeting.

Vote: Voice vote showed: AYES: Lt. White, Officer Bouchard, and Mayor Drautz.
NAYS: None.

6. Discuss inclusion of hurricane pay in final average compensation

Ms. Hurley asked the difference between hurricane pay and overtime pay and said that hurricane pay was not included in an employee's final pay.

The Board Attorney explained that overtime was hours worked in addition to an employee's normally worked schedule and pension contributions should not be withheld. Hurricane pay was an hourly rate booster of 50% for working during a hurricane and pension contributions should be withheld. He asked if there was anyone in the DROP that retired during that time that worked the hurricanes and said that their calculations would need to be recalculated and pension contributions deposited in the plan for the hurricane pay.

Questions arose regarding how participants would be required to pay pension contributions on hurricane pay.

The Board Attorney recommended that DROP participants that owed pension contributions on hurricane pay would repay the pension fund by automatic deduction by the Finance Department in amounts over six months retroactive.

Action: Motion made by Mr. Kahant and seconded by Mayor Drautz to direct the Finance Department to count hurricane pay, which means pay received for employees who worked their regular schedule during hurricanes to be included as pensionable compensation; not include overtime during hurricanes, which means time worked outside their regular schedule; the Finance Department needs to pickup contributions on the hurricane pay on pay out of the employees' paychecks over a six month period and transfer the contributions into the pension plan; and recalculate all DROP benefits that had hurricane pay that should have been included in the final average compensation.

Vote: Voice vote showed: AYES: Ms. Hurley, Mr. Kahant, and Mayor Drautz. NAYS: None.

V. CONSENT AGENDA:

A. Employees' Retirement Board:

- 1. Authorize payment of invoice from Sugarman & Susskind, in amount of \$1,041.87**
- 2. Authorize payment of invoice from Richmond Capital Management, for period July 1 - September 30, 2006, in amount of \$18,720**
- 3. Authorize payment of invoice from Gabriel Roeder Smith & Company, for preparation and attendance at 9/26/06 meeting (Project #100780-106) in amount of \$403 and charges to date for the 10/1/06 Actuarial Valuation Report (Project # 100780-106) in amount of \$413 - total amount \$816**
- 4. Receive fee advice from Salem Trust, for period July 1 - September 30, 2006, in amount of \$7,997.12**
- 5. Authorize payment to University of Miami Hospitals & Clinics for a facility fee associated with the IME appointment for Colleen Tidwell in amount of \$85 and IME doctor's fee in amount of \$750 - two separate checks**

Action: Motion made by Mayor Drautz and seconded by Mr. Kahant to approve Consent (A), in its entirety, as presented.

Vote: Voice vote showed: AYES: Ms. Hurley, Mr. Kahant, and Mayor Drautz.
NAYS: None.

B. Police Retirement Board:

- 1. Authorize payment of invoice from Sugarman & Suskind, in amount of \$1,562.80**
- 2. Authorize payment of invoice from Richmond Capital Management, for period July 1 - September 30, 2006, in amount of \$5,974**
- 3. Authorize payment of invoice from Gabriel Roeder Smith & Company, for preparation and attendance at 9/26/06 meeting (Project # 100780-106) in amount of \$403, charges to date for the 10/1/06 Actuarial Valuation Report (Project # 100790-106) in amount of \$370, buy back calculation for Kathleen Bogart (Project #100790-606) in amount of \$400, and review of retirement benefit calculations for officers who retired after May 18, 2004 (Project #100790-206) in amount of \$922 - total amount \$2,095**
- 4. Receive fee advice from Salem Trust, for period July 1 - September 30, 2006, in amount of \$3,958.60**

Action: Motion made by Officer Bouchard and seconded by Mayor Drautz to approve Consent (B), in its entirety, as presented.

Vote: Voice vote showed: AYES: Lt. White, Officer Bouchard, and Mayor Drautz.
NAYS: None.

C. Employees' and Police Retirement Boards:

- 1. Ratify refunds of pension contributions as reported by Finance**

Employees Pension Fund:

Checks Disbursed 09-29-06

Kasey Collins, Pool & Beach, 2 Months/28 Days, \$430.04, separated August 19, 2006

Toni Charles, Police Dispatch, 3 Months/9 Days, \$677.53, separated August 10, 2006

John Denton, Pool & Beach, 1 Year/2 Months/26 Days, \$2,061.20, separated September 8, 2006

Karl Swierzko, Building & Zoning, 5 Years/2 Months/7 Days, \$17,275.25, separated July 7, 2006

Jose Dario Vargas, Building & Zoning, 21 Days, \$129.68, separated August 7, 2006

Karl Vander Woude, Pool & Beach, 2 Months/15 Days, \$353.80, separated August 20, 2006

Police Pension Fund:

Check Disbursed 09-30-06

David Waschko, Police, 1 Year/7 Months/22 Days, \$2,988.82, separated September 1, 2006

Action: Motion made by Mayor Drautz and seconded by Mr. Kahant to approve Consent (C), in its entirety, as presented.

Vote: Voice vote showed: AYES: Ms. Hurley, Mr. Kahant, and Mayor Drautz. NAYS: None.

Action: Motion made by Officer Bouchard and seconded by Mayor Drautz to approve Consent (C), in its entirety, as presented.

Vote: Voice vote showed: AYES: Lt. White, Officer Bouchard, and Mayor Drautz. NAYS: None.

D. Board Attorney's Report:

The Board Attorney explained that effective in 2007, retired or disabled public safety officers can exclude up to \$3,000 of distributions from a governmental qualified retirement plan, annuity, or plan for the direct payment of premiums for coverage for the public the safety officer, spouse, and dependents under an accident or health insurance plan; purchase of permissive service credit; and early withdrawal penalty on certain distributions for public safety employees.

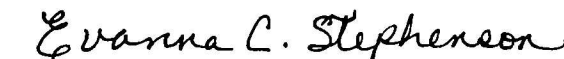
VI. **ADJOURNMENT:**

The meeting adjourned at 4:45 p.m.

MINUTES APPROVED: 1-23-07


Valerie Hurley, Chair
Employees' Retirement Board


Kenneth White, Chairman
Police Retirement Board


Evanna Stephenson, Recording Secretary
Employees' & Police Retirement Boards

Minutes transcribed by: Evanna C. Stephenson, City Clerk's Office.

A compact disc of this meeting will be available in the Office of the City Clerk for two years after approval of these minutes.